

tages may be secured by some modification on our laws relating to mortgages; they therefore report that it is inexpedient to invest the fund in question in a real estate bank.

Your committee are of opinion that the safest, and therefore the most eligible employment for the fund would be to invest it in the State's own stocks. A prudent man whose estate was encumbered, would hardly think of purchasing up the debts of his neighbour. His first care would be to clear his own estate and thus relieve himself from the vicissitudes of fortune. A similar principle should actuate a Government. The difference between the immediate profit of an investment in its own stocks, and the profit of an investment in private securities, will not justify a departure from the rule. The very circumstance that the public stocks are in higher estimation evidences the greater security of the investment. A State cannot, like an individual, change its investment with every fluctuation of the market. It does not become the honor of a sovereign State to assume the trade of a stock broker. Permanence and safety ought chiefly to govern in the investment of public monies. The credit of the State would be heightened by devoting our first available means to the redemption of our public debt—it would evidence our regard for the public faith—it might enable us in future to negotiate loans on more favourable terms.

As an investment to a considerable amount cannot be made at the present moment, your committee would propose that the Treasurer for the western shore be authorised to purchase the State's stocks, as opportunities may occur and on the most favourable terms, not exceeding the par value for stocks bearing an interest of five per cent, and $116\frac{2}{3}$ for 100 of stocks bearing an interest of six per cent; and in the mean time to deposit such monies in some bank or banks, or other incorporated monied institutions in this State, which will consent to pay therefor an interest of not less than five per cent per annum, and to restore the same on demand of the Treasurer.

Your committee have also in obedience to an order of this house, considered the expediency of investing a part of the money in question, in the reserved stock of the Merchants Bank of Baltimore. They are of opinion that so long as the State shall remain largely indebted on its own stocks, it is inexpedient to vest the public monies permanently in bank stocks. Believing that it would be